Joint Contracting Command — Iraq/Afghanistan:

Providing Responsive, Full-Spectrum Contracting Support to U.S. Military Forces

An Interview with Air Force Maj. Gen. Darryl A. Scott, Commander, Joint Contracting Command — Iraq/Afghanistan

Former Defense Contract Management Agency (DCMA) director Maj. Gen. Darryl A. Scott is the commander of the Joint Contracting Command – Iraq/Afghanistan (JCC-I/A) in Baghdad, Iraq. Maj. Gen. Scott reports directly to the commander, Multi-National Force – Iraq and is responsible for planning, executing and managing mission-critical contracting efforts supporting U.S. and coalition forces, security operations, humanitarian relief and the reconstruction efforts in Iraq, Afghanistan and Pakistan.

Communicator (C): What is the mission of JCC-I/A?

Maj. Gen. Scott (MGS): First and foremost, we provide responsive, full-spectrum contracting support to our military forces to acquire vital supplies and services not readily available through our organic logistics capabilities. We also support the embassy chiefs of mission

to execute their Iraq and Afghanistan relief and reconstruction efforts by contracting for everything from hospitals and prisons to electrical distribution systems to clean drinking water plants. Finally, we provide capacity building to establish effective contracting and procurement processes within the Iraqi and Afghan government ministries so they can build

(Background) A view of the International Zone in Baghdad, location of the JCC-I/A headquarters (Photo by Mr Kevin Koch, DCMA customer liaison at NAVSEA Washington, D.C.)

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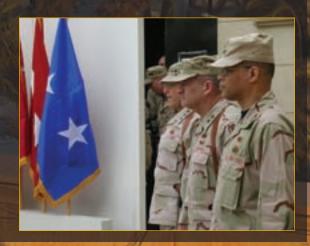
and sustain self-sufficient security forces and economic infrastructure.

C: Who are your customers?

MGS: Just like our diverse mission, our customers are varied and spread throughout the AOR [area of responsibility]. Our first and foremost customer is the warrior executing the mission. In this AOR, the "voice of the customer" comes from the Multinational Corps – Iraq, the senior headquarters, Multinational Force – Iraq and other major subordinate commands such as the Gulf Region Division of the Army Corps of Engineers and the Multinational Security and Transition Command - Iraq (MNTSC-I). We also serve the soldiers, sailors, airmen and marines of the Combined Forces Command - Afghanistan. Closely tied to our warrior customers is the Department of State chief of mission, with relief and reconstruction efforts aimed at revitalizing the Iraqi industrial, social and economic infrastructure. To that end, we also work closely with other non-DoD [Department of Defense] government agencies in Iraq and Afghanistan. We provide them with vital advice and counsel to build and maintain a self-sufficient acquisition process. Furthermore, in our capacity as a lead organization for contracting efforts in the AOR, we also interact with other governmental agencies such as the [Defense Contract Audit Agency] and [United States Agency for International Development]. Finally, our customers also include the outstanding acquisition professionals serving in the AOR to whom we must provide policy and guidance to achieve a unified contracting effort in the theater of operations.

C: Please describe your organization: how are you organized, how many personnel are you assigned and where are your folks located?

MGS: JCC-I/A is a relatively new command. Our initial organization was created by a November 2004 U.S. Central Command Fragmentary Order [FRAGO] covering only the Combined Joint Operations Area [CJOA] Iraq. We officially opened our doors on Jan. 29, 2005. However, a subsequent July 2005 FRAGO expanded the organization's responsibility to include CJOA Afghanistan. Our [fiscal year 2006] workload through June includes awarding 19,500 contract actions worth \$3.4 billion. We have 235 folks in the command. We're mostly GIs, but we have DoD civilians, local nationals and contractors. Our current enterprise mixes a functional and geographic organization structure. First, we have the JCC-I/A headquarters, located in Baghdad, Iraq, which provides overall policy and guidance to the field. The executing arm of JCC-I/A in Iraq is then divided into two principal assistants responsible for contracting [PARC]: one primarily supporting reconstruction, PARC-R; and the other primarily supporting our forces,



(Right) Air Force Maj. Gen. Darryl A. Scott, former DCMA director (pictured far right), at the Feb. 2, 2006, change-of-command ceremony whereupon he took command of Joint Contracting Command – Iraq/Afghanistan in Baghdad, Iraq.

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PARC-F. For Afghanistan, our executing arm is organized under the umbrella of a single PARC responsible for all contracting operations in Afghanistan, PARC-A. However, the current organization will give way on Oct. 1, 2006, to a new geographically based structure. PARC-A will remain unchanged, but PARC-R and PARC-F will be combined to form a new organization responsible for all contracting in Iraq, PARC-I.

The PARCs are organized around regional contracting centers and regional contracting offices [RCCs/RCOs]. The RCCs/RCOs are located throughout the AOR close to major customer commands and [are] usually near main economic centers of the respective nations (such as Baghdad, Tikrit, Mosul and Fallujah, Iraq, and Kabul and Kandahar, Afghanistan). This allows [an] RCC/RCO to harness the local business base quickly to satisfy customer requirements.

We also embed contracting personnel within key government ministries to provide advice and counsel in building nations' capabilities for self-sustaining acquisition processes.

C: Since you have been commander, what types of changes have you implemented in JCC-I/A?

MGS: As a relatively new command, change is a continuous business around here. Foremost among those changes is the focus on "effects-based contracting." Effects-based contracting is like the ultimate in performance-based management! The outcomes we're tracking range from, "I need to put 300 military-aged males to work so they won't join the insurgents," to, "We need to provide clean drinking water to 10,000 residents of this neighborhood by Aug. 31," to, "I need 100 Jersey barriers for a security

checkpoint by Tuesday," to, "We've got 72 hours to fix the air conditioning in the Baghdad Convention Center so the first-ever meeting of Iraq's elected council of representatives can happen on time," to things so unusual they could only happen in Iraq! In every case, though, we have to link ourselves tightly to the maneuver commanders so we can synchronize contracting resources and capabilities in time, space and purpose to achieve the effect the warrior wants. This means looking at contracting from a different perspective. We no longer simply execute business arrangements through a

resource-driven, first-in-first-out prioritization approach. We're now looking to prioritize and execute business arrangements support the main that effort of the combatant commander. Synchronizing contract execution with a commander's intent requires the contracting process to be an active part of operations/ mission planning so that the desired operational

and tactical goals are understood and translated into effective contracting actions.

Achieving effects-based contracting also requires a change in organizational philosophy. We can't afford to simply react to our customers' formal requirements; in fact, we've had to learn to anticipate them and get ahead of the game so that we can deliver the effect the warriors need on their schedule, not on a schedule driven by our processes. We've had to realign our regional contracting centers to the different multi-national divisions to better incorporate contract planning with operational planning

(Above) A cake with the JCCI-I/A seal made in honor of Air Force Maj. Gen. Darryl A. Scott assumption of command of Joint Contracting Command – Iraq/Afghanistan in Baghdad, Iraq, on Feb. 2, 2006.

— not unlike the way DCMA realigned itself. We need to be flexible and agile so that we can adapt and mobilize right alongside our fast-moving customer. We're learning to focus and to exploit our acquisition rules and regulations to make our contingency contracting processes faster and less bureaucratic. And where those rules, regulations and even laws prevent us from supporting our customer, we're getting them changed!

Organizational philosophy alone cannot achieve the effects-based contracting we desire. The

organization must also posses the tools and processes necessary to easily create, mine, exploit and disseminate relevant data that can easily be transformed into critical information supporting our contracting goals. So, taking another page from the DCMA playbook, we're building a knowledge management system that encompasses not just data from our business processes but

also the critical campaign /mission planning data that sets the tone for our effects-based contracting execution.

To achieve these goals, we are working closely with the Deputy Under Secretary of Defense for Business Transformation, CENTCOM and the Deputy Assistant Secretary of the Army for Plans and Programs to create the right tools and processes to make contingency contracting more responsive to the warrior.

C: How do you work with DCMA?

MGS: Like in any other government contracting enterprise, DCMA plays an important role in delivering goods and services to our warrior. They perform type, kind and condition inspections ensuring that contractors deliver exactly what was promised. They also handle typical contract administration duties such as payment processing and contract closeout. Particularly noteworthy here in JCC-I/A is the work they performed in reconciling and closing out nearly 10,000 contract actions funded with Development Funds for Iraq (DFI). The DFI are funds that were seized from Saddam [Hussein] and designated by the U.N. Security Council to be used only for the benefit of the Iraqi people. These contracts were mostly awarded during the Coalition Provisional Authority days. Many of these projects were delivered for less than was obligated on the contracts. DCMA folks have been working to close out those contracts and de-obligate the excess funds. Their outstanding work resulted in de-obligating over \$475 million of unexpended funds that could be reallocated for additional projects to benefit the people of Iraq.

C: Now that you're a customer of DCMA, do you see customer focus and performance-based management at work in your interactions with DCMA? If so, in what ways?

MGS: Absolutely. In January 2006, DCMA Iraq established a performance-based Customer Relations Plan with JCC-I/A. This plan serves as a vital management tool for ensuring that DCMA is focusing their efforts on the outcomes that are critical to JCC-I/A as its customer. It clearly identifies JCC-I/A's desired outcomes for administering and closing out both DFI and appropriated fund contracts, for minimizing Prompt Payment Act interest penalties and

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for inspecting and accepting contractor deliverables. It then provides specific performance standards for DCMA that allow both parties to effectively measure DCMA contributions in meeting these critical outcomes. It also identifies how corresponding performance data will be collected and reported, providing an essential tool for managing activities, prioritizing workload and fostering continuous improvement.

The results have been impressive. For instance, one of DCMA's performance standards for contract closeout is that they maintain a cumulative closeout rate of at least 80 percent for DFI contracts. Their current cumulative closeout rate for DFI contracts is over 99 percent. Performance-based management tools have been instrumental in fostering greater integration of coordination of effort between JCC-I/A and DCMA Iraq and have demonstrably contributed to JCC-I/A achieving our critical outcomes in supporting the warfighter. The success of this signed Customer Relations Plan clearly demonstrates how performance-based management can be effectively and successfully applied in an extremely fast-moving contingency environment.

C: How does JCCI/A interact with the U.S. ambassadors in Iraq and Afghanistan?

MGS: The reconstruction efforts in both Iraq and Afghanistan fall under the responsibility of the ambassador, who is the chief of mission. Overall responsibility for management of the reconstruction effort is assigned to the Department of State. In Iraq, for example, the effort is managed through the Iraq Reconstruction Management Office (IRMO) — an arm of the chief of mission. Through IRMO, the chief of mission releases funding

and sets priorities for all reconstruction efforts. JCC-I/A stays close to this process to ensure we're ready to execute contracts assigned to us and to advise the chief of mission on alternative sources or approaches to fulfilling a specific project.

C: Similarly, how do you work with the governments of Iraq and Afghanistan?

MGS: We have forged close relationships, at both executive and working levels, with ministerial organizations aimed at developing self-sustaining acquisition processes. A key aspect of this developmental process is the Iraqi First and Afghan First Programs. Through these outstanding efforts we have been able to help local businesses bid and, most importantly, win an increasingly larger proportion of awarded contracts. This is a good-news story. Sixty days into the program, we have seen a dramatic increase in the amount of contract awards to host nation companies. Key to this success is the creation of Host Nation Business Advocates [HNBA] — bilingual, bicultural American citizens who actively seek, train and advise local businesses on how to participate in the acquisition process — similar to what Small Business specialists do at home. Complementing the HNBA's work with private industry is a team of contracting professionals embedded in key government ministries, principally the Ministries of Defense and Interior. This on-site team provides training and advice to their Iraqi and Afghan counterparts on the process of building a self-reliant government acquisition process.

C: As commander, what are your greatest challenges?

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MGS: Wow! There's a bunch of them! Probably the greatest is developing the full potential that JCC-I/A was created for: unifying effort for all contracting activities in the AOR to restore and secure Iraq and Afghanistan. Achieving unity of effort is challenging because not all contracting resources in the AOR are aligned under the responsible combatant commander [COCOM]. Therefore, the COCOMs, and by extension JCC-I/A, have no authority to compel compliance with the CJOA commander's policies. If you really want to achieve the full potential of economic effects in a counterinsurgency fight, the CJOA commander needs to have every dollar spent contribute to all of his or her objectives — that would be the ultimate in effects-based contracting. We don't have that today. There are contracting activities in theater that are spending big bucks that are focused on much narrower agendas. They see their mission as direct support of a small customer base — but they're spending hundreds of millions. It would be much more effective if we were able to coordinate all our activities - we could leverage what they're doing to reduce unemployment in a certain region that I may not have requirements in, for example. There would be efficiencies, too. There's one base over here that I can't name that has four contracting offices on it, working for four different sets of customers. All the work could easily be done in one office with perhaps a 25 percent savings in overall manpower. So I'm trying to clarify and simplify the command and control arrangements for contracting over here so that JCC-I/A has insight and coordination into all contracting in the AOR. We continue to work this issue hard with all affected agencies and hope to have a workable solution in the near future.

C: What do you see ahead for JCCI/A?

MGS: I see the joint contracting model becoming a standard for future contingencies. Yes, we have some challenges to overcome, and we're discovering new ways of becoming more effective daily. Our greatest contribution to those that will follow in our footsteps is to ensure that the lessons learned today are properly incorporated into Joint Doctrine so that mistakes and inefficiencies are not repeated in the future. Like I used to say about DCMA contingency operations, the majors, captains, Navy lieutenants and GS-12s are solving unprecedented problems every day, and we ought to hang medals on all of them. But if we make their successors solve the same problems, all of us senior folk ought to be fired! I have no doubt that a flexible and agile organization — one capable of molding our contracting processes and structure to fit the combatant commander's desired effects like JCC-I/A is — will earn its



(Right) Air Force Maj. Gen. Darryl A. Scott, former DCMA director, makes a speech shortly after taking command of the Joint Contracting Command – Iraq/Afghanistan on Feb. 2, 2006, in Baghdad, Iraq.

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